REMARKS

The Office Action dated February 26, 2004 has been received and carefully noted. The above amendments and the following remarks are submitted as a full and complete response thereto. Claims 17-33 are pending in this application with claims 21-33 added by the present amendment. No new matter has been added or amendments made that narrow the scope of any elements of any claims. In the outstanding Office Action, claims 17-20 were objected to and claims 17-20 were rejected under 35 U.S.C. § 101. Claims 17-33 are submitted for consideration.

Claim Objections

Claims 17-20 were objected to due to the informalities set forth in the outstanding Office Action. Claims 17-20 have been amended as suggested in the Office Action. Accordingly, Applicant respectfully requests reconsideration and withdrawal of the objection to claims 17-20.

35 U.S.C. § 101

Claims 17-20 were rejected under 35 U.S.C. § 101 because the Office Action alleged that the claimed invention is directed to non-statutory subject matter.

In making this rejection the Office Action asserts that claims 17-20 only recite an abstract idea. The Office Action also asserts that the recited steps can be performed in the mind of the user or by the use of pencil and paper. However, the Office Action admits that the invention recited in claims 17-20 produces a useful, concrete, and tangible result.

As an initial matter, Claims 17-20 recite a transaction managing apparatus used for a POS terminal. A transaction managing apparatus used for a POS terminal is classified as either a machine or a manufacture. Under 35 U.S.C. § 101, "whoever invents or discovers any new and useful ...machine, manufacture... or new and useful improvement thereof, may obtain a patent therefore." The MPEP §2106(IV)(B)(2)(a) also states that statutory product claims include both a machine and a manufacture. This section also states that a claim may define a statutory product by "identifying the physical structure of the machine or manufacture in terms of its hardware or hardware and software combination."

Similarly, the MPEP §2106(IV)(B)(2)(b)(ii) states that "a machine is statutory when the machine, as claimed, produces a concrete, tangible and useful result." This section also states that a statutory method or process is one that produces "a concrete, tangible and useful result." The Office Action admits that invention claims 17-20 produce a concrete, tangible and useful result. Therefore, claims 17-20 are statutory. Accordingly, Applicants, request reconsideration and withdrawal of the rejection of claims 17-20 under 35 U.S.C. §101.

New Claims

New claims 21-33 have been added to recite additional embodiments of the present invention. These claims are patentable over the cited prior art for at least the same reasons as claims 17-20. Accordingly, Applicant requests consideration and allowance of claims 21-33.

Conclusion

Applicants' remarks have overcome the objections and rejections set forth in the Office Action dated February 26, 2004. Specifically, Applicants amendments of claims 17-20 overcome the objections to these claims. Applicants' remarks have overcome the rejection of claims 17-20 under 35 U.S.C. §101. Applicants' remarks have also distinguished new claims 21-33 from the cited prior art. Accordingly, claims 17-33 are in condition for allowance. Therefore, Applicants respectfully request consideration and allowance of claims 17-33.

Applicants submit that the application is now in condition for allowance. If the Examiner believes that the application is not in condition for allowance, Applicants respectfully request that the Examiner contact the undersigned attorney by telephone if it is believed that such contact will expedite the prosecution of the application.

In view of the foregoing, reconsideration of the application, withdrawal of the outstanding rejections, allowance of claims 17-33, and the prompt issuance of a Notice of Allowability are respectfully solicited.

In the event this paper is not considered to be timely filed, the Applicants respectfully petition for an appropriate extension of time. Any fees for such an extension, together with any additional fees that may be due with respect to this paper, may be charged to counsel's Deposit Account No. 01-2300, **referencing docket number 108131-00000**.

Respectfully submitted, ARENT FOX PLLC

Rustan J. Hill

Registration No. 37,351

Customer No. 004372 ARENT FOX PLLC 1050 Connecticut Avenue, N.W., Suite 400 Washington, D.C. 20036-5339

Tel: (202) 857-6000 Fax: (202) 638-4810

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Enclosures:

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